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**SIGMA GAS CORPORATION**  
**Post Office Box 22**  
**Salyersville, Kentucky 41465**  
(606) 349-1505

Estill Branham, Manager

RECEIVED  
MAY 03 2004  
PUBLIC SERVICE  
COMMISSION  
Fax: 606-889-0466

March 8, 2004

Thomas M. Dorman  
Executive Director  
Public Service Commission  
Post Office Box 615  
Frankfort, KY 40602-0615

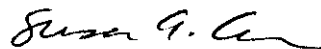
Re: Case No. 99-074

Dear Mr. Dorman:

I have enclosed the financial statements of Sigma Gas Corporation for the calendar year 2003 in compliance with Case No. 99-074.

If you have any questions or need any further information please do not hesitate to contact me at the address or numbers listed above.

Sincerely,



Susan A. Crum, Accountant

SIGMA GAS CORPORATION  
TWELVE MONTH COMPARATIVE BALANCE SHEET  
2003

	January	February	March	April	May	June	July	August	September	October	November	December
ASSETS												
<b>CURRENT ASSETS</b>												
Cash in bank - checking	\$ 28,290	\$ 113,049	\$ 107,786	\$ 28,168	\$ 33,663	\$ 33,215	\$ 23,784	\$ 18,338	\$ 6,181	\$ 10,551	\$ 22,532	\$ 11,403
Cash in bank - CNE	25,311	25,621	26,132	26,243	26,353	26,365	26,470	26,676	27,481	29,288	30,393	31,300
Customer accounts receivable	127,498	120,831	76,380	70,395	43,477	40,001	38,112	35,972	35,002	45,918	58,352	116,834
Accounts receivable-other	1,129	442	0	0	0	0	1	(1)	0	0	0	1
<b>TOTAL CURRENT ASSETS</b>	<b>182,228</b>	<b>259,943</b>	<b>210,298</b>	<b>124,806</b>	<b>103,493</b>	<b>99,581</b>	<b>88,367</b>	<b>80,985</b>	<b>68,664</b>	<b>85,757</b>	<b>111,277</b>	<b>159,538</b>
<b>PROPERTY AND EQUIPMENT</b>												
Utility Plant in Service	1,722,234	1,722,795	1,723,481	1,724,981	1,728,826	1,729,553	1,729,553	1,729,553	1,729,553	1,729,553	1,729,553	1,727,630
Accumulated depreciation	(492,369)	(496,691)	(501,013)	(505,335)	(509,657)	(513,979)	(518,302)	(522,624)	(526,946)	(531,268)	(535,590)	(540,055)
Gas plant acquisition adjustment	(173,672)	(172,763)	(171,854)	(170,945)	(170,035)	(169,127)	(168,217)	(167,308)	(166,399)	(165,490)	(164,581)	(163,673)
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<b>1,056,193</b>	<b>1,053,341</b>	<b>1,050,614</b>	<b>1,048,701</b>	<b>1,049,134</b>	<b>1,046,447</b>	<b>1,043,034</b>	<b>1,039,621</b>	<b>1,036,208</b>	<b>1,032,795</b>	<b>1,029,382</b>	<b>1,023,902</b>
<b>OTHER ASSETS</b>												
Other deferred debits	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188
Utility deposits	250	250	250	250	250	250	250	250	250	250	250	250
Prepaid Insurance	565	452	339	226	113	0	0	0	0	0	1,262	689
Nonutility Plant	65,584	65,584	65,584	65,584	65,584	65,584	65,584	65,584	65,584	65,584	65,584	65,584
Accum depr - nonutility	(19,299)	(19,453)	(19,607)	(19,761)	(19,916)	(20,070)	(20,224)	(20,379)	(20,533)	(20,687)	(20,841)	(20,996)
<b>TOTAL OTHER ASSETS</b>	<b>49,288</b>	<b>49,021</b>	<b>48,754</b>	<b>48,487</b>	<b>48,219</b>	<b>47,952</b>	<b>47,798</b>	<b>47,643</b>	<b>47,489</b>	<b>47,335</b>	<b>48,443</b>	<b>47,715</b>
<b>TOTAL ASSETS</b>	<b>\$1,287,709</b>	<b>\$1,362,305</b>	<b>\$1,309,666</b>	<b>\$1,221,994</b>	<b>\$1,200,846</b>	<b>\$1,193,980</b>	<b>\$1,179,199</b>	<b>\$1,169,249</b>	<b>\$1,152,361</b>	<b>\$1,165,887</b>	<b>\$1,189,102</b>	<b>\$1,231,155</b>

See Accountant's Compilation Report

SIGMA GAS CORPORATION  
TWELVE MONTH COMPARATIVE BALANCE SHEET  
2003

	January	February	March	April	May	June	July	August	September	October	November	December
LIABILITIES & SHAREHOLDERS' EQUITY												
CURRENT LIABILITIES												
Accounts payable - current	\$ 129,432	\$ 196,996	\$ 153,006	\$ 67,363	\$ 52,774	\$ 55,581	\$ 53,274	\$ 51,299	\$ 44,859	\$ 57,693	\$ 72,974	\$ 124,027
Notes payable	248,977	248,977	248,977	248,977	248,977	248,977	248,977	248,977	248,977	248,977	248,977	248,977
Customer deposits	67,977	67,877	67,677	67,677	67,177	66,877	66,477	66,077	66,177	67,777	68,477	66,577
Accrued interest	120,145	122,556	124,960	127,372	128,448	130,848	133,228	135,614	137,979	140,385	141,892	142,838
Accrued taxes	8,848	8,268	8,013	6,472	6,839	7,376	6,753	6,679	7,193	7,197	8,484	10,093
TOTAL CURRENT LIABILITIES	575,379	644,674	602,633	517,861	504,215	509,659	508,709	508,646	505,185	522,029	540,804	592,512
LONG TERM LIABILITIES												
Note payable - DLG	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419
TOTAL LONG TERM LIABILITIES	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419	1,258,419
TOTAL LIABILITIES	1,833,798	1,903,093	1,861,052	1,776,280	1,762,634	1,768,078	1,767,128	1,767,065	1,763,604	1,780,448	1,799,223	1,850,931
SHAREHOLDERS' EQUITY												
Accum. adj. - WM. G. CONL	(234,368)	(234,368)	(234,368)	(234,368)	(234,368)	(234,368)	(234,368)	(234,818)	(235,426)	(235,426)	(235,426)	(235,426)
Current Earnings	3,104	5,489	718	(586)	(3,962)	(9,501)	(15,724)	(20,173)	(25,158)	(26,651)	(24,653)	(28,999)
Accum. adj. - BARKLEY STU	(234,368)	(234,368)	(234,368)	(234,368)	(234,368)	(234,368)	(234,368)	(234,818)	(235,426)	(235,426)	(235,426)	(235,426)
Current Earnings	3,104	5,489	718	(586)	(3,962)	(9,501)	(15,724)	(20,173)	(25,158)	(26,651)	(24,653)	(28,999)
Accum. adj. - ESTILL B. B	(84,251)	(84,251)	(84,252)	(84,252)	(84,252)	(84,252)	(84,252)	(84,352)	(84,486)	(84,486)	(84,486)	(84,486)
Current Earnings	690	1,220	165	(127)	(876)	(2,108)	(3,493)	(4,482)	(5,589)	(5,922)	(5,477)	(6,440)
TOTAL SHAREHOLDERS' EQUITY	(546,089)	(540,789)	(551,387)	(554,287)	(561,788)	(574,098)	(587,929)	(598,816)	(611,243)	(614,562)	(610,121)	(619,776)
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	\$1,287,709	\$1,362,304	\$1,309,665	\$1,221,993	\$1,200,846	\$1,193,980	\$1,179,199	\$1,168,249	\$1,152,361	\$1,165,886	\$1,189,102	\$1,231,155

See Accountant's Compilation Report

SIGMA GAS CORPORATION  
COMPARATIVE STATEMENTS OF INCOME  
For The Twelve Months Ended December 31, 2003

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-Date
<b>Revenue</b>													
Gas sales	\$ 112,495	\$ 94,225	\$ 54,171	\$ 47,146	\$ 21,073	\$ 19,640	\$ 18,969	\$ 17,595	\$ 18,863	\$ 31,678	\$ 44,065	\$ 111,378	\$ 591,299
Collection fee	0	50	0	100	0	50	0	0	0	0	0	0	200
NSF charge	0	0	0	0	0	0	10	0	0	0	0	0	10
Reconnect fees	65	0	0	0	0	0	0	0	0	455	130	65	715
Penalties	2,755	3,488	2,810	1,482	1,151	494	588	494	311	333	838	1,070	15,815
Temporary service charge	65	0	195	0	130	0	130	0	0	0	0	65	585
Sales tax commission	20	18	12	11	7	6	7	6	7	7	9	21	131
<b>Total revenue</b>	<b>115,400</b>	<b>97,781</b>	<b>57,188</b>	<b>48,739</b>	<b>22,361</b>	<b>20,190</b>	<b>19,704</b>	<b>18,095</b>	<b>19,181</b>	<b>32,473</b>	<b>45,042</b>	<b>112,599</b>	<b>608,755</b>
<b>Expenses</b>													
Gas purchases	83,712	69,748	40,293	24,633	8,032	7,423	4,701	5,242	4,651	12,680	21,420	66,972	349,506
Supervision	1,400	1,590	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	16,990
Mains and service labor	946	1,075	1,145	957	962	1,204	957	962	1,204	1,161	901	1,469	12,943
Service supplies & expenses	2,186	1,521	596	155	11	0	0	27	1,935	754	362	5,273	12,819
Contract labor	140	140	1,839	308	170	185	85	578	400	0	(455)	0	3,390
Rents - Distr expense	0	0	0	0	0	0	0	0	125	0	0	(125)	0
Rents	0	0	120	0	0	0	0	0	0	0	0	125	245
Meter reading labor	860	957	1,161	903	871	1,129	882	871	1,226	1,107	1,021	1,365	12,352
Acctg. & collecting labor	1,496	1,306	1,775	1,496	1,496	1,775	1,496	1,496	1,775	1,496	1,496	2,244	19,347
Computer billing	605	168	169	169	168	167	166	164	163	861	169	165	3,133
Uncollectable accounts	0	0	0	0	0	0	0	0	0	0	0	5,939	5,939
General & admin. salaries	5,524	5,524	6,175	5,524	5,524	6,175	5,524	5,524	6,175	5,524	5,524	7,586	70,303
Office supplies & expenses	1,535	1,151	1,674	2,526	2,198	2,221	1,199	1,234	1,189	1,216	1,466	966	18,576
Outside services employed	0	0	0	2,500	0	0	0	0	0	0	0	139	2,639
Insurance	916	113	113	113	113	113	7,665	0	0	0	(1,262)	115	7,999
Employee Benefits	143	143	143	143	151	151	151	151	151	151	151	151	1,782
Miscellaneous general exp	0	3	0	153	0	0	125	0	0	0	690	0	971
Director fees	0	0	600	200	0	200	0	0	600	400	200	200	2,400
Rents	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Transportation expense	1,508	1,471	2,021	2,903	1,652	1,584	1,632	2,782	1,538	1,453	1,497	2,134	22,171
Interest - Meter deposits	340	339	338	338	336	334	332	330	331	339	342	333	4,034
Interest - Other	0	0	0	0	0	0	0	0	35	0	0	9	44
Interest - KISU	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	24,898

See Accountant's Compilation Report

SIGMA GAS CORPORATION  
COMPARATIVE STATEMENTS OF INCOME  
For The Twelve Months Ended December 31, 2003

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-Date
Depreciation	4,195	4,195	4,195	4,195	4,195	4,195	4,195	4,195	4,195	4,195	4,195	4,341	50,486
Amort of organization costs	127	127	127	127	127	127	127	127	127	127	127	125	1,522
Payroll tax expense	782	799	1,778	786	784	1,144	785	784	923	814	793	1,078	11,251
Public Serv Comm Assessment	0	0	0	0	0	866	0	0	0	0	0	0	866
Taxes other than income	0	0	15	0	0	0	0	0	0	0	0	0	15
Public Serv Company Assess	0	0	0	0	0	0	0	0	0	0	0	18,137	18,137
Total expenses	109,290	93,245	68,552	52,404	31,065	33,268	34,297	28,742	31,018	36,553	42,912	123,016	684,358
Income from operations	6,110	4,536	(11,364)	(3,665)	(8,704)	(13,078)	(14,593)	(10,647)	(11,837)	(4,080)	2,130	(10,417)	(75,603)
Other income													
Other income	19	0	0	0	435	0	0	0	0	0	1,550	0	2,004
Amort of acquisition adjustment	909	909	909	909	909	909	909	909	909	909	909	909	10,908
Interest income	11	10	11	11	11	11	6	5	6	6	6	7	100
Total other income	939	919	920	920	1,355	920	915	914	915	915	2,465	916	13,012
Other expenses													
Nonutility deductions	154	154	154	154	152	154	153	155	153	155	155	152	1,849
Total other expenses	154	154	154	154	152	154	153	155	153	155	155	152	1,849
Net income	\$ 6,895	\$ 5,301	\$ (10,598)	\$ (2,899)	\$ (7,501)	\$ (12,312)	\$ (13,831)	\$ (9,888)	\$ (11,075)	\$ (3,320)	\$ 4,440	\$ (9,653)	\$ (64,440)

See Accountant's Compilation Report

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the twelve months ended December 31,**

**OPERATING ACTIVITIES**

**2003**

Net income (Loss) from Operations	(\$9,654.79)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,710.66
Interest income	(7.02)
Changes in operating assets and liabilities	
Increase in accounts receivable	(58,481.54)
Increase in prepaid expenses	573.62
Increase in accounts payable	51,053.70
Increase in other current liabilities	654.29

**NET CASH PROVIDED (USED) IN  
OPERATING ACTIVITIES**

(\$12,151.08)

**INVESTING ACTIVITIES**

Adjustment to plant	1,922.84
Prior year expense	0.00
Interest income	7.02

**NET CASH USED IN INVESTING ACTIVITIES**

\$1,929.86

**FINANCING ACTIVITIES**

\$0.00

**NET CASH PROVIDED (USED) IN  
FINANCING ACTIVITIES**

\$0.00

**INCREASE IN CASH AND CASH EQUIVALENTS**

(\$10,221.22)

**CASH, BEGINNING BALANCE, 9/1/2003**

\$52,924.96

**CASH, ENDING BALANCE, 12/31/2003**

\$42,703.74

**SUPPLEMENTAL INFORMATION**

Interest paid	\$3,674.94
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the eleven months ended November 30,**

<b>OPERATING ACTIVITIES</b>	<b><u>2003</u></b>
Net income (Loss) from Operations	\$4,440.70
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(5.71)
Changes in operating assets and liabilities	
Increase in accounts receivable	(12,434.41)
Increase in prepaid expenses	(1,262.46)
Increase in accounts payable	15,280.76
Increase in other current liabilities	<u>3,494.37</u>
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b><u>\$13,080.55</u></b>
<b>INVESTING ACTIVITIES</b>	
Addition to plant	0.00
Interest income	<u>5.71</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>\$5.71</u></b>
<b>FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$13,086.26</b>
<b>CASH, BEGINNING BALANCE, 11/1/2003</b>	<b>\$39,838.70</b>
<b>CASH, ENDING BALANCE, 11/30/2003</b>	<b>\$52,924.96</b>
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Interest paid	\$20.69
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the ten months ended October 31,**

<b>OPERATING ACTIVITIES</b>	<b>2003</b>
Net income (Loss) from Operations	(\$3,319.30)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(6.10)
Changes in operating assets and liabilities	
Increase in accounts receivable	(10,915.75)
Decrease in prepaid expenses	0.00
Increase in accounts payable	12,834.20
Increase in other current liabilities	4,010.11
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b>\$6,170.46</b>
<b>INVESTING ACTIVITIES</b>	
Addition to plant	0.00
Interest income	6.10
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>\$6.10</b>
<b>FINANCING ACTIVITIES</b>	<b>\$0.00</b>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b>\$0.00</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$6,176.56</b>
<b>CASH, BEGINNING BALANCE, 10/1/2003</b>	<b>\$33,662.14</b>
<b>CASH, ENDING BALANCE, 10/31/2003</b>	<b>\$39,838.70</b>

**SUPPLEMENTAL INFORMATION**

Interest paid	\$8.22
Income taxes paid	\$0.00



**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the three months ended September 30,**

**OPERATING ACTIVITIES**

**2003**

Net income (Loss) from Operations	(\$11,077.27)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(5.89)
Changes in operating assets and liabilities	
Decrease in accounts receivable	969.60
Decrease in prepaid expenses	0.00
Decrease in accounts payable	(6,440.10)
Increase in other current liabilities	2,978.64

**NET CASH PROVIDED (USED) IN  
OPERATING ACTIVITIES**

(\$10,007.72)

**INVESTING ACTIVITIES**

Increase in plant	0.00
Prior year expense	(1,349.25)
Interest income	5.89

**NET CASH USED IN INVESTING ACTIVITIES**

(\$1,343.36)

**FINANCING ACTIVITIES**

\$0.00

**NET CASH PROVIDED (USED) IN  
FINANCING ACTIVITIES**

\$0.00

**DECREASE IN CASH AND CASH EQUIVALENTS**

(\$11,351.08)

**CASH, BEGINNING BALANCE, 7/1/2003**

\$45,013.22

**CASH, ENDING BALANCE, 9/30/2003**

\$33,662.14

**SUPPLEMENTAL INFORMATION**

Interest paid	\$75.99
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the eight months ended August 31,**

<b>OPERATING ACTIVITIES</b>	<b><u>2003</u></b>
Net income (Loss) from Operations	(\$9,886.60)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(5.28)
Changes in operating assets and liabilities	
Decrease in accounts receivable	2,140.58
Decrease in prepaid expenses	0.00
Decrease in accounts payable	(1,975.12)
Increase in other current liabilities	<u>1,912.91</u>
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b><u>(\$4,246.21)</u></b>
<b>INVESTING ACTIVITIES</b>	
Prior year expense	(1,000.00)
Interest income	<u>5.28</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>(\$994.72)</u></b>
<b>FINANCING ACTIVITIES</b>	
	<u>\$0.00</u>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(\$5,240.93)</b>
<b>CASH, BEGINNING BALANCE, 8/1/2003</b>	<b>\$50,254.15</b>
<b>CASH, ENDING BALANCE, 8/31/2003</b>	<b>\$45,013.22</b>

**SUPPLEMENTAL INFORMATION**

Interest paid	\$19.27
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the seven months ended July 31,**

<b>OPERATING ACTIVITIES</b>	<b><u>2003</u></b>
Net income (Loss) from Operations	(\$13,831.25)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(5.80)
Changes in operating assets and liabilities	
Decrease in accounts receivable	1,888.22
Decrease in prepaid expenses	0.00
Decrease in accounts payable	(2,306.68)
Increase in other current liabilities	<u>1,356.69</u>
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b><u>(\$9,331.52)</u></b>
<b>INVESTING ACTIVITIES</b>	
Addition to plant	0.00
Interest income	<u>5.80</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>\$5.80</u></b>
<b>FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(\$9,325.72)</b>
<b>CASH, BEGINNING BALANCE, 7/1/2003</b>	<b>\$59,579.87</b>
<b>CASH, ENDING BALANCE, 7/31/2003</b>	<b>\$50,254.15</b>
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Interest paid	\$27.38
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the three months ended June 30,**

<b>OPERATING ACTIVITIES</b>	<b><u>2003</u></b>
Net income (Loss) from Operations	(\$12,310.03)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(11.19)
Changes in operating assets and liabilities	
Decrease in accounts receivable	3,476.32
Decrease in prepaid expenses	113.07
Increase in accounts payable	2,806.75
Increase in other current liabilities	<u>2,636.89</u>
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b><u>\$279.11</u></b>
<b>INVESTING ACTIVITIES</b>	
Increase in plant	(726.39)
Interest income	<u>11.19</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>(\$715.20)</u></b>
<b>FINANCING ACTIVITIES</b>	
	<u>\$0.00</u>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(\$436.09)</b>
<b>CASH, BEGINNING BALANCE, 4/1/2003</b>	<b>\$60,015.96</b>
<b>CASH, ENDING BALANCE, 6/30/2003</b>	<b>\$59,579.87</b>
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Interest paid	\$8.34
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the five months ended May 31,**

<b>OPERATING ACTIVITIES</b>	<b><u>2003</u></b>
Net income (Loss) from Operations	(\$7,501.60)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(10.82)
Changes in operating assets and liabilities	
Decrease in accounts receivable	26,917.97
Decrease in prepaid expenses	113.00
Decrease in accounts payable	(14,589.50)
Increase in other current liabilities	<u>943.84</u>
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b><u>\$9,440.19</u></b>
<b>INVESTING ACTIVITIES</b>	
Addition to plant	(3,845.68)
Interest income	<u>10.82</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>(\$3,834.86)</u></b>
<b>FINANCING ACTIVITIES</b>	
	<u>\$0.00</u>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$5,605.33</b>
<b>CASH, BEGINNING BALANCE, 5/1/2003</b>	<b>\$54,410.63</b>
<b>CASH, ENDING BALANCE, 5/31/2003</b>	<b>\$60,015.96</b>
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Interest paid	\$19.33
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the four months ended April 30,**

<b>OPERATING ACTIVITIES</b>	<b><u>2003</u></b>
Net income (Loss) from Operations	(\$2,899.71)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(10.76)
Changes in operating assets and liabilities	
Decrease in accounts receivable	5,985.12
Decrease in prepaid expenses	113.00
Decrease in accounts payable	(85,643.07)
Increase in other current liabilities	<u>870.21</u>
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b><u>(\$78,017.91)</u></b>
<b>INVESTING ACTIVITIES</b>	
Addition to plant	(1,499.99)
Interest income	<u>10.76</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>(\$1,489.23)</u></b>
<b>FINANCING ACTIVITIES</b>	
	<u>\$0.00</u>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(\$79,507.14)</b>
<b>CASH, BEGINNING BALANCE, 4/1/2003</b>	<b>\$133,917.77</b>
<b>CASH, ENDING BALANCE, 4/30/2003</b>	<b>\$54,410.63</b>
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Interest paid	\$1.99
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the three months ended March 31,**

<b>OPERATING ACTIVITIES</b>	<b><u>2003</u></b>
Net income (Loss) from Operations	(\$10,597.46)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(11.06)
Changes in operating assets and liabilities	
Decrease in accounts receivable	44,892.57
Decrease in prepaid expenses	113.00
Decrease in accounts payable	(43,989.98)
Increase in other current liabilities	<u>1,949.55</u>
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b><u>(\$4,076.08)</u></b>
<b>INVESTING ACTIVITIES</b>	
Increase in plant	(686.44)
Prior year adjustment	(0.60)
Interest income	<u>11.06</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>(\$675.98)</u></b>
<b>FINANCING ACTIVITIES</b>	
	<u>\$0.00</u>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b><u>\$0.00</u></b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b><u>(\$4,752.06)</u></b>
<b>CASH, BEGINNING BALANCE, 1/1/2003</b>	<b>\$138,669.83</b>
<b>CASH, ENDING BALANCE, 3/31/2003</b>	<b>\$133,917.77</b>
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Interest paid	\$9.10
Income taxes paid	\$0.00

**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the two months ended February 28,**

<b>OPERATING ACTIVITIES</b>	<b>2003</b>
Net income (Loss) from Operations	\$5,300.08
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(9.77)
Changes in operating assets and liabilities	
Decrease in accounts receivable	7,354.84
Decrease in prepaid expenses	113.00
Increase in accounts payable	67,564.69
Increase in other current liabilities	1,730.51
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b>\$85,620.65</b>
<b>INVESTING ACTIVITIES</b>	
Addition to plant	(561.00)
Interest income	9.77
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(\$551.23)</b>
<b>FINANCING ACTIVITIES</b>	
	\$0.00
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b>\$0.00</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$85,069.42</b>
<b>CASH, BEGINNING BALANCE, 2/1/2002</b>	<b>\$53,600.41</b>
<b>CASH, ENDING BALANCE, 2/28/2002</b>	<b>\$138,669.83</b>
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Interest paid	\$4.09
Income taxes paid	\$0.00



**SIGMA GAS CORPORATION**  
**Statement of Cash Flow - Indirect Method**  
**For the one month ended January 31,**

<b>OPERATING ACTIVITIES</b>	<b>2003</b>
Net income (Loss) from Operations	\$6,896.13
Adjustments to reconcile net income to net cash Provided by operating activities:	
Depreciation and amortization	3,567.30
Interest income	(10.57)
Changes in operating assets and liabilities	
Increase in accounts receivable	(23,679.54)
Decrease in prepaid expenses	113.00
Increase in accounts payable	4,812.97
Increase in other current liabilities	2,201.88
<b>NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b>	<b>(\$6,098.83)</b>
<b>INVESTING ACTIVITIES</b>	
Addition to plant	(299.00)
Interest income	10.57
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(\$288.43)</b>
<b>FINANCING ACTIVITIES</b>	<b>\$0.00</b>
<b>NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES</b>	<b>\$0.00</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(\$6,387.26)</b>
<b>CASH, BEGINNING BALANCE, 1/1/2003</b>	<b>\$59,987.67</b>
<b>CASH, ENDING BALANCE, 1/31/2003</b>	<b>\$53,600.41</b>
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Interest paid	\$215.84
Income taxes paid	\$0.00